

FISCAL IMPACT STATEMENT ON BILL NO. **S. 1206**

(Doc. No. 12204ac06.doc)

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TO:	The Honorable Lawrence K. "Larry" Grooms, Chairman, Senate Agriculture and Natural Resources Committee		
FROM:	Office of State Budget, Budget and Control Board		
ANALYSTS:	R.J. Stein, Beth Campbell		
DATE:	March 14, 2006	SBD:	2006123

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AUTHOR:	Senator Grooms	PRIMARY CODE CITE:	48-38-10
SUBJECT:	South Carolina Isolated Wetlands Act		

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ESTIMATED FISCAL IMPACT ON GENERAL FUND EXPENDITURES:

A Cost to the General Fund (See Below)

ESTIMATED FISCAL IMPACT ON FEDERAL & OTHER FUND EXPENDITURES:

A Cost to Federal and/or Other Funds (See Below)

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**BILL SUMMARY:**

Senate Bill 1206 amends Title 48 of the Code of Laws of South Carolina, 1976, by adding Chapter 38 establishing the SC Isolated Wetlands Act. The Bill authorizes the Department of Health & Environmental Control (DHEC) to establish and promulgate regulations for an isolated wetlands permitting program. The Bill identifies which activities may be permitted and provides for appeals from decisions. The Bill authorizes DHEC to promulgate a fee schedule in order to offset the cost of operating the permit program.

**EXPLANATION OF IMPACT:**

Department of Health & Environmental Control (DHEC)

The Department estimates that this program will require 14.00 FTEs (8 Permit Writers, 4 Field Inspectors and 2 Administrative Specialists) and would be phased in over an 18 month period. First year costs to the General Fund are estimated at \$310,742 (\$266,542 in salaries & fringe benefits; \$26,600 in operating expenses and \$17,600 in non-recurring funds for office furnishings, computers and two vehicles for field inspections). First year costs are based on 4.00 Environmental Health Managers for 12 months and 1.00 Administrative Specialist and 3.00 Environmental Health Managers for the second half of the year.

Second year costs to the General Fund are estimated at \$380,311 (\$296,011 for salaries & fringe benefits, \$35,100 for operating expenses and \$49,200 in non-recurring funds for office furnishings and computers for the additional 6.00 FTEs coming into the program in the second half of the year). Second year costs are estimated at half the full cost of operating the program because permit fee revenues authorized by the Bill may be sufficient to pay for the program by the end of the second year. (Permit fee collection cannot begin until after program guidelines and regulations have been drafted and approved by the Legislature.)

However, to the degree that permit fee revenues are not sufficient to operate the program, the State General Fund would be additionally impacted.

Administrative Law Court

The Court reports that it would require 1.00 FTE for an Administrative Specialist II at an annual cost to the General Fund of \$37,950 for salary, fringe and other operating expenses. The new position would be used to handle the additional workload from filing the new cases with the Court. The agency reports there will be no impact to Federal and/or Other Funds.

**SPECIAL NOTES:**

The Board of Economic Advisors is the appropriate entity to address any revenue impact associated with this Bill.

Approved by:

A handwritten signature in black ink that reads "Don Addy". The signature is written in a cursive, flowing style.

Don Addy  
Assistant Director, Office of State Budget